

**CDBG Policy Retreat**  
**June 13, 2006**  
**MINUTES**

**Present:**

Chesley Christensen, Mayor; Mt. Pleasant - SCAOG

Jerry McNeely, Commissioner; Southeastern Utah ALG

Constance Robinson, Mayor; Paragonah - FCAOG

McKay Willis, Mayor; Laketown - BRAG

Jim Abegglen, Commissioner; Uintah County - UBAG

Kendall Crittenden, Commissioner; Wasatch County – MAG

Carol Page, Commissioner; Davis County – WFRC

**AOG Staff:** Penny Fuellenbach, Six County AOG; Heidi DeMarco, Mountainland AOG; Diane Lamoureux, Five County AOG; LaNiece Dustman, Wasatch Front Regional Council; Yankton Johnson, Uintah Basin AOG; Debbie Hatt, Southeastern Utah ALG; Cindy Hall, Bear River AOG

**DCED Staff:** Gordon Walker, Keith Heaton, Glenna Matekel, and Julie Tuimauga

1. **WELCOME/INTRODUCTIONS, Chesley Christensen:** The retreat was hosted this year at the Sherwood Hills Resort in Wellsville by Bear River Association of Governments (BRAG). The retreat opened with a tour on June 12 starting at the Bear River Bird Refuge Visitors Center. The policy board members also visited several projects which received CDBG funding assistance over the years such as the Habitat for Humanity multi-family project, Neighborhood Nonprofit Housing's Self-Help program and the Lincoln Center's Boys & Girls Club and Food Pantry.

Mayor Chesley Christensen welcomed everyone to the meeting which started promptly at 9:00 a.m. He asked for a vote to accept the minutes from the policy meeting on February 28, 2006.

**Motion: Mayor McKay Willis made a motion to accept the minutes as written. Councilmember Jerry McNeely seconded the motion and the motion carried.**

An opportunity was given to the Association of Governments' (AOG) staff members to briefly give an update at the regional level. Most of the regions reported personnel changes due to retirement or new employment elsewhere. The regions also noted a new position created for a planner; this was made possible with Permanent Community Impact Fund (PCIF) dollars.

2. **CDBG TRAINING – RATING & RANKING; Keith Heaton:** Each region is doing a great job at the local level in identifying needs and tying them into the rating and ranking process. However, there is a concern at the state level that the types of projects funded are not necessarily reflective of the Consolidated Plan priorities.

Keith demonstrated this by asking each region to write their top three priorities. He then compared them to projects that were actually funded this year. With the program funding continually facing cuts, it is important to fund projects that demonstrate the priorities in the regions consolidated plan.

Some of the reasons that the program funded weak projects in the most recent funding cycle could be attributed to royalties from oil shale and minerals benefiting the small towns; cost of land to build for housing programs is high and recently some small cities went through municipal administration changes.

Keith noted some changes to wording of state policy for the rating and ranking process as per Appendix H of the *Application Policy and Procedures Manual*. Changes were made to numbers:

1. Capacity to Carry Out the Grant  
*Paragraph 1; second sentence to read: To adequately evaluate grantee performance, the RRC must consult with the state staff. Staff will rate performance on a scale of 1-10 (10 being the best).*
7. Project Maturity  
*Second paragraph to read: Applicants may demonstrate maturity by leveraging the CDBG funds being requested. RRCs are to give additional points for applicants that provide a cash match to the request for CDBG funding. A sliding points system is encouraged that gives greater points for higher match percentages.*

Mayor Christensen asked for approval of the changes as presented.

**Motion: Mayor Willis made a motion to approve the changes to the wording of state policy for the rating and ranking process as found in Appendix H; numbers 1 & 7 of the Application Policy and Procedures Manual. Councilmember Crittenden seconded the motion and the motion carried.**

3. **FEDERAL BUDGET UPDATE; Keith Heaton:** A \$3.9 billion budget for the CDBG program has been proposed by the House for the next funding cycle. Mayor Christensen said that this was an increase of \$345 million. Councilmember McNeely said that Senator Hatch is supporting this proposal and does not think the program will be cut.

HUD is proposing a change to the allocation formula nationally. This would result in less funding for most states, including Utah. However, the proposed rule also withdraws funding from entitlement communities not receiving at least \$500,000 annually. These entitlements would automatically fall under the state program. This would increase the states annual allocation.

4. **LEAD-BASED PAINT & HOUSING REHABILITATION; Keith Heaton:** Some grantees have encountered problems with housing rehabilitation projects. These problems may result in cost overages leading to unfinished projects because of the limited funding. The AOG staff was encouraged to limit housing rehabilitation to \$5,000 and just do roofs, septic tanks, furnaces, etc. to avoid lead based paint.

Information was distributed in a table format illustrating how much each region spent on lead-based paint testing and how many households were completed.

5. **2007 CALENDAR; Julie Tuimauga:** The 2007 calendar was distributed for everyone's information; some important dates were highlighted. Julie updated everyone on the status of the contract processing.

The committee was asked if they felt that 2 meetings a year (without the retreat) were sufficient for their function as a policy making body. The board said that they would like to continue holding the annual retreat.

**Motion: Mayor Willis made a motion that the CDBG Policy Board continue to hold the annual retreat. Councilmember McNeely seconded the motion and the motion carried.**

6. **BOARD SURVEY; Keith Heaton:** A total of three surveys out of seven were received from the Policy Committee members. Keith addressed the concerns as pointed out in the survey. He emphasized the staff's commitment to excellence in their work processes. He thanked the Policy Committee for their feedback on the state staff's performance of CDBG functions.
7. **CDBG PROCUREMENT REQUIREMENTS; Glenna Matekel:** Glenna discussed the history of requiring professional services to be procured. She noted this was not a requirement of State Procurement Code, but a rule of the Utah CDBG program. She noted that this requirement was being rescinded beginning with the 2006 contracts. State staff will continue to encourage regular evaluation by jurisdictions of their professional service needs.

Glenna also discussed concerns of what reasonable costs are associated with planning and engineering services. CDBG funds engineering or architectural costs associated to specific projects and for engineering or planning only grants. It was suggested that these costs be reviewed by the regional planners being funded by CIB to determine if they are reasonable. State staff will make those requests as necessary. Gordon Walker suggested trying this approach next year and reviewing its effectiveness before making it policy.

8. **REFINING THE PROGRAM; State Staff:** Improvement to the small cities program is very critical at this time, as the program defends its existence and funding. The state staff evaluated where the program could be more efficient. Staff recommended limiting public service funding so that public service agencies do not become dependent on CDBG funding.

The state staff proposed that funding for a public service agency be limited to capital improvements or acquisition of equipment or property. The change in policy would be that administration and operation cost will no longer be eligible CDBG activities.

The policy board asked for wording on this proposed change to be put in writing and presented at the policy board meeting in August.

9. **CONSOLIDATED PLAN; Keith Heaton:** The Consolidated Plan draft will be due on October 15, 2006.
10. **DATE OF NEXT MEETING/ ADJOURN:** Next meeting is August 30, 2006. There were no other items of discussion and meeting adjourned at 2:00 p.m.